

Notice on Changes to Prices of Consumer Milk, Yogurt, and Other Products and Commercial Products

MEGMILK SNOW BRAND Co., Ltd. (headquarters: Shinjuku, Tokyo; President: Masatoshi Sato), announced that it will revise prices for some of its consumer milk, yogurt, and other products, as well as for some of its commercial products, starting Tuesday, November 1, 2022.

The environment surrounding domestic dairy farming is under tough conditions as milk production costs have risen dramatically due to a global rise in the cost of grains, energy, and others as well as the increasing weakness of the yen.

In light of this operating environment, we have reached an agreement with raw milk producer organizations to increase milk purchasing prices (hereafter "milk prices") beginning from November 2022. These pricing revisions will protect dairy farming production and will help stabilize dairy supply in Japan.

Costs are also increasing for major raw materials, packaging materials, energy, logistics, and more. In addition to higher milk prices, we expect significant cost increases to continue.

The Company has been working to internally absorb the cost increases through a range of cost reduction measures; however, these cost increases are beyond the scope within which the increases can be absorbed through corporate efforts. The Company has therefore decided to implement the following price revisions.

MEGMILK SNOW BRAND is committed to providing consumers with safe and reliable products on a stable basis and asks for your understanding and continued support.

Details

1. Applicable Products

(1) Consumer products

- 1) Storefront products - milk, soft drinks, yogurt, desserts 45 products
- 2) Home delivery products - milk, milk beverages, soft drinks, yogurt 22 products

(2) Commercial products - milk, yogurt 6 products

2. Details of Revision

(1) Consumer products

- 1) Storefront products - MSRP Revision 4.0% to 12.5%
- 2) Home delivery products - Manufacturer shipping price Revision rate: 5.3% to 8.3%

(2) Commercial products - Manufacturer shipping price Revision rate: 7.4% to 9.2%

3. Revision date

For shipments starting Tuesday, November 1, 2022

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.